Foreign CROPS AND MARKETS

VOLUME 62 NUMBER 25

WOOL (Page 697)

BREADGRAINS (Page 712)

CONTENTS

FOR RELEASE

MONDAY

JUNE 18, 1951

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS
WASHINGTON 25, D.C.

LATE NEWS

Indonesian copra exports during May 1951 totaled 54,028 long tons, destined to the following countries: Western Germany - 26,243; United Kingdom - 11,850; Netherlands - 10,811; Denmark - 2,624; and Singapore - 2,500. This represents the largest monthly postwar shipment of copra. The 26,243 tons sent to Western Germany is the first purchase of copra from Indonesia by this country since July 1950. Deliveries to oil mills were 4,362 tons. June production is forecast at 49,000 tons and exports at 44,000 tons.

- - - - - - - -

Philippine copra exports in May 1951 of 48,278 long tons were purchased by the following countries: United States - 21,513 (Atlantic - 5,164, Pacific - 16,349); Canada - 2,900; Colombia - 5,380; Belgium - 3,910; Denmark - 1,500; France - 954; Western Germany - 500; Italy - 1,700; Netherlands - 7,750; Sweden - 1,000; Morocco - 631; and other- 540. Coconut oil exports of 4,117 long tons were taken by: United States - 3,092; Belgium - 412; and South Africa - 613. The copra export price in mid-June was reported at $170 per short ton, c.i.f. Pacific.

- - - - - - - -

The Chinese Communists are reported to have closed all cotton mills in China for a month and a half starting June 6 because of a shortage of raw cotton. Although the 1950 cotton crop was reported to be about 2.5 million bales compared with the small 1949 crop of 1.7 million bales, the supply is still insufficient to meet the demands of the cotton mills and the large cottage industry. A contributing factor to this temporary suspension of mill operations is the decreased imports of raw cotton into China during recent months resulting indirectly from Chinese intervention in Korea.

- - - - - - -

(Continued on Page 725)

FOREIGN CROPS AND MARKETS

Published weekly to inform producers, processors, distributors and consumers of farm products of current developments abroad in the crop and livestock industries, foreign trends in prices and consumption of farm products, and world agricultural trade. Circulation of this periodical is free to those needing the information it contains in farming, business and professional operations. Issued by the Office of Foreign Agricultural Relations of the U.S. Department of Agriculture, Washington 25, D. C.

WORLD WOOL PRODUCTION UP FURTHER IN 1951 1/

World wool production in 1951 is estimated at 4.1 billion pounds grease basis, an increase of 120 million pounds over the revised 1950 total according to the semi-annual wool report of the Office of Foreign Agricultural Relations. World production fell to 3.7 billion pounds in 1947 but since has increased about 12 percent. The estimate for the current year is about 210 million pounds or about 6 percent above the 1936-40 average and only 60 million pounds below the 1941 output of 4.2 billion which was an all-time high. This estimate includes both apparel and carpet wool and on a grease basis.

Favorable weather conditions since 1948 over most of the world where sheep are grown have since allowed a steady increase in sheep numbers. At present numbers are about 4 percent above last year.

The trend in wool prices, which has been upward since 1946, turned up at an even faster rate in the past 10 months, and has given added impetus to the expansion of wool production.

Under the favorable conditions mentioned above production in all major wool-producing areas of the world is above prewar and war-year averages, with the exception of North America. Returns from sheep and wool on this Continent in relation to other farm enterprises were unfavorable during the post-war years until recently, but at present are becoming more favorable.

Northern Hemisphere

Production in the Northern Hemisphere for the current season is about 1.5 percent above 1950 in contrast to the downward trend from 1941 through 1949. Output is, however, still below the 1936-40 and 1941-45 averages. In the early war years decreases occurred in Europe but production is now practically back to prewar in that area. In the post-war years through the present the United States has been chiefly responsible for the decline in wool output above the equator. This decline has now been halted and some upturn is expected by the spring of 1952.

Based upon estimates of the spring clip in the Northern Hemisphere combined with that produced in the season beginning July 1 or October 1 of the same year in the Southern Hemisphere. Pulled wool is included for most countries at its greasy equivalent. World wool production is summarized twice each year. The next summary will be in November at which time the outturn of the clip will be revised.

1/ A more extensive statement will soon be published as a Foreign Agriculture Circular by the Office of Foreign Agricultural Relations, U.S. Department of Agriculture, Washington 25, D. C.

WOOL: Production in specified countries, greasy basis, averages 1936-40 and 1941-45; annual 1947 to 1951 1/

Continent and country	Averages 1936-40	Averages 1941-45	1947	1948	1949	1950 2/	1951 2/
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
NORTH AMERICA							
Canada	15.6	17.7	14.1	11.9	9.8	9.5	10.0
United States							
Shorn	360.6	360.2	252.8	233.9	216.8	220.1	227.6
Pulled	64.7	68.3	56.6	46.6	35.6	32.4	32.4
Total	425.3	428.5	309.4	280.5	252.4	252.5	260.0
Estimated total 3/	451.7	457.3	334.7	304.6	271.9	270.9	279.7
EUROPE							
Austria	2.1	2.7	2.6	3.1	3.6	3.0	3.5
Bulgaria	28.7	4/ 26.4	4/ 26.4	4/ 27.0	4/ 27.0	4/ 27.0	4/ 28.0
Eire	17.2	15.9	13.3	12.2	12.0	13.7	14.0
Finland	2.7	1.9	2.4	2.4	2.4	2.5	2.6
France 5/	37.1	27.3	28.6	29.3	33.9	35.0	33.0
Germany 6/	31.7	35.5	25.4	26.8	29.0	27.0	27.0
Greece	19.3	12.8	19.1	18.2	17.1	16.5	17.2
Hungary	12.9	8.9	4.4	5.4	5.9	6.8	-
Italy	30.4	27.5	27.1	28.9	35.3	35.0	37.0
Netherlands	6.2	4.9	4.6	4.6	6.2	6.5	6.5
Norway	5.9	5.9	6.2	6.4	7.0	7.0	7.0
Poland and Danzig 6/	6.8	-	-	-	-	-	-
Portugal	16.3	17.2	18.0	18.0	17.0	21.2	22.0
Rumania 6/	40.7	-	-	-	-	-	-
Spain	70.0	83.0	77.0	88.0	82.0	100.0	100.0
United Kingdom	110.1	88.6	71.8	75.0	82.5	86.0	85.0
Yugoslavia	34.7	-	-	-	-	-	-
Estimated total (excl. U.S.S.R.) 7/	483.4	446.0	398.2	424.0	443.6	473.3	478.3
U.S.S.R. (Europe and Asia) 6/9/	310.2	7/ 279.7	285.8	304.6	314.9	325.0	335.0

ASIA							
Iran	36.3	29.6	30.0	29.8	24.7	35.3	37.0
Iraq	21.6	21.1	24.2	32.7	26.7	28.7	30.0
Syria	10/ 10.7	11.0	12.7	12.1	10.0	13.0	15.0
Turkey	67.7	67.9	71.2	75.5	70.9	67.2	75.0
Afghanistan	15.0	15.0	15.0	17.0	17.2	18.0	18.0
China 11/	88.0	81.0	75.0	75.0	75.0	75.0	75.0
India	12/ 72.9	12/ 79.0	54.5	53.0	46.2	50.5	52.0
Pakistan	-	-	26.0	26.0	30.0	35.0	40.0
Estimated total (excl. U.S.S.R.) 13/	344.2	336.7	341.8	354.7	347.2	369.5	388.9
SOUTH AMERICA							
Argentina 14/	411.0	505.8	475.0	419.0	420.0	420.0	440.0
Brazil 15/	35.5	37.6	43.0	45.2	48.5	47.4	49.6
Chile	32.6	38.6	41.9	41.9	46.3	44.0	46.0
Falkland Islands	4.0	4.2	4.0	4.0	3.2	4.7	4.8
Peru	19.4	17.6	15.9	17.2	18.7	19.8	20.5
Uruguay	126.2	144.0	150.3	144.0	163.3	176.4	190.0
Estimated total 16/	638.9	759.5	743.6	684.8	713.5	724.9	763.5
AFRICA							
Algeria	22.6	22.6	13.8	13.2	14.0	17.0	19.0
Egypt	7.5	5.9	5.6	7.7	6.4	8.0	6.6
French Morocco	35.1	39.4	25.0	28.0	30.0	33.1	35.3
Libya	-	3.2	3.4	1.0	1.7	1.6	
Tunisia	12.0	12.9	11.0	7.9	8.0	11.0	12.0
Union of South Africa 17/	252.3	234.0	205.2	219.0	217.5	230.0	240.0
Estimated total 18/	336.8	321.9	267.8	280.6	281.4	304.5	318.4
OCEANIA							
Australia	1,051.9	1,088.0	973.0	1,031.0	1,155.0	1,177.0	1,200.0
New Zealand	313.8	350.4	362.0	367.0	390.0	372.0	380.0
Total	1,365.9	1,438.5	1,335.1	1,398.1	1,545.1	1,549.1	1,580.1
Estimated world total 19/	3,930.0	4,040.0	3,710.0	3,750.0	3,920.0	4,020.0	4,140.0

1/ For summary purposes wool produced mostly in the spring in the Northern Hemisphere is combined with that produced in the season beginning July 1 or October 1 of the same year in the Southern Hemisphere. Pulled wool is included for most countries at its greasy equivalent. 2/ Preliminary. 3/ Includes estimates for Mexico, Newfoundland, Netherlands West Indies, Guatemala and El Salvador. 4/ Includes Southern Dobrudja beginning 1944. 5/ Data for years 1945 and 1946 not comparable with prewar and 1947. 6/ Based on present boundaries. 7/ Two years average (1944 and 1945). 8/ Includes estimates for Albania and for countries producing 2 million pounds or less, namely Belgium Czechoslovakia, Denmark, Iceland, Sweden and Switzerland. 9/ Based on the number of sheep and an average fleece weight of 4.7 pounds per head. 10/ Includes Lebanon. 11/ Includes China proper (22 provinces), Manchuria, Jehol and Sinkiang (Turkestan). Figures for postwar years of 75 million pounds used only to indicate approximate level. 12/ Includes Pakistan. 13/ Includes estimates for Cyprus, Palestine and Transjordan, Outer Mongolia, Tibet and Nepal. 14/ Based on estimates of the Buenos Aires Branch, First National Bank of Boston through 1947. 15/ Estimates based largely on production in Rio Grande do Sul, which produces about 80 percent of the total. 16/ Includes relatively small production in Bolivia, Colombia, Ecuador, Paraguay and Venezuela. 17/ Union of South Africa, Union Protectorates and South West Africa. 18/ Includes estimates for Kenya, French West Africa and Togo. 19/ Rounded to tens of millions.

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics of foreign governments, reports of U.S. Foreign Service officers, results of office research and other information. Estimates for countries having changed boundaries have been adjusted to present boundaries except as noted. June 18, 1951.

The Northern Hemisphere now produces about 150 million pounds less wool than in 1936-40. As all the important wool consuming countries--the United States, Canada, the United Kingdom, France, Germany, Italy, Belgium, the Soviet Union and Japan--are located in the Northern Hemisphere this further dependence upon Southern Hemisphere supplies has intensified the problems of distribution.

The Soviet Union, China, India, the Near East and North Africa produce predominately coarse (carpet) wools. Production in Europe is made up of about 70 percent apparel and most of the United States output is of the apparel types.

Southern Hemisphere

The Southern Hemisphere now produces about five-eights of the total world production of wool and is more important than ever before in the world supply picture. The forecast of output for the new season beginning July 1 is about 310 million pounds above the 1936-40 average and about 140 million pounds greater than wartime. Over 90 percent of the total Southern Hemisphere output is apparel wool and production in Australia and South Africa particularly is made up chiefly of very fine merino wools. Most of the so called carpet wool of the area is produced in Argentina. New Zealand produced chiefly medium crossbred wool and Uruguay's output is predominately fine crossbred.

The outlook is excellent in the major producing countries of the Southern Hemisphere. High prices for wool in the season now ending has created a policy of expansion in sheep numbers and near-record numbers are being carried into the winter. Feed and pasture conditions are favorable as winter approaches and if no major droughts, freezes or diseases occur in the ensuing months the relatively optimistic production forecasts should hold up.

This is one of a series of regularly scheduled reports on world agricultural production approved by the Office of Foreign Agricultural Relations Committee on Foreign Crop and Livestock Statistics. It is based in part upon U. S. Foreign Service reports.

COMMODITY DEVELOPMENTS

COTTON AND OTHER FIBER

1950-51 BRITISH EAST AFRICA
COTTON PRODUCTION

The 1950-51 production of cotton in the British East African colonies of Uganda, Kenya and Tanganyika is estimated at 328,000 bales (500 pounds gross weight), or slightly below the 333,000 bales produced in 1949-50, according to Robert M. Schneider, Vice Consul, American Consulate General, Nairobi. Picking of the crop was completed in February.

Production in Uganda decreased 13,000 bales to about 270,000 bales in 1950-51, but this decline was partially offset by a 14 percent increase in production in Kenya from around 7,000 bales in 1949-50 to 10,000 bales during the current season and the 48,000 bales produced in Tanganyika which was about 12 percent above the 1949-50 crop of 43,000 bales. The decline in Uganda production was caused by late plantings, unfavorable weather conditions and a shortage of migratory laborers usually obtained from the Belgian Congo during the cotton season. Increased output in Kenya and Tanganyika is attributable in some degree to increased acreage, but more to improved yields resulting from favorable climatic conditions and lack of insect infestation.

Local consumption of cotton in British East Africa is practically nil being confined mainly to upholstering and blanket manufacturing. Plans have been made for the construction of a textile mill in Uganda, using electric power to be supplied from the Owens Falls hydroelectric project scheduled for completion in 1954. Production of this mill is expected ultimately to reach 27 million yards of cloth annually.

Marketing of the Uganda cotton crop, along with the crops from the interior provinces of Kenya and Tanganyika around Lake Victoria, is handled through the Uganda Lint Marketing Board, a Government-sponsored organization established in October 1949 and consisting of representatives from all branches of the cotton industry. Under the present system, the Board purchases all cotton from the native growers at a fixed price, pays a fixed commission to the ginner, and then markets the lint cotton in accordance with prior arrangements. Under the bulk marketing agreement for the 1949-50 season, the entire production was sold jointly to the United Kingdom Raw Cotton Commission and the Government of India, with exception of about 6,000 bales reserved for sale to other British Commonwealth Countries. About 65 percent, or more than 200,000 bales, was shipped to India under this agreement.

In October 1950, the Board announced the marketing arrangement for the 1950-51 crop, which specified joint sale to the United Kingdom Raw Cotton Commission and the Government of India of 200,000 bales, or two-thirds of the crop, whichever was larger. The remainder of the crop will be auctioned. This announcement was favorably received by the local cotton community which had protested the bulk sale of the entire 1949-50 production. From the size of the 1950-51 crop it appears that, under the formula established for the current season, slightly more than 200,000 bales will be exported to the United Kingdom and India, with the remaining 100,000 bales to be sold at auction.

East African cotton grown along the eastern coasts of Kenya and Tanganyika is not marketed through the Board, due to transportation difficulties, but is handled through separate exporting groups appointed by the Departments of Agriculture. The cotton marketed through these outlets, however, does not amount to much more than 8,000 bales.

The production goal established by the Government of Uganda is 415,000 bales (500,000 East African bales), which is considerably higher than the crops in any recent years. As a step toward reaching this goal a new experiment station was placed in operation in Uganda late in 1950 which will continue research with seed of higher-yielding varieties of cotton that have greater resistance to disease and insect (jassid) attack. Irrigation and fertilization of cotton acreage are being developed in certain areas. In addition, the local food situation has improved to the extent that more land can be devoted to cash crops in the future. The sole deterrents to the attainment of this goal, but very sizeable obstacles in East Africa, are the small size of native farms which prevent efficient production, the poor farming methods practiced by the natives, and the ever-present factors of insects and undependable weather.

1951-52 COTTON CROP OUTLOOK IN EGYPT

The outlook for the 1951-52 cotton crop in Egypt is generally favorable according to Quincy F. Roberts, American Consulate General, Alexandria. Planting was completed for the most part in March under ideal climatic and soil conditions. Preliminary forecasts of planted acreage by private sources range from 2,010,000 acres, somewhat below the 1950-51 harvested acreage of 2,050,000, to as much as 10 percent above the 1950-51 area, or 2,255,000 acres. There is sufficient labor available to cultivate the crop, as well as an adequate supply of fertilizers and irrigation water. Cooler weather in April brought on insect attacks earlier than usual and caused damage to young plants that necessitated some replanting, particularly in the northern Delta region. The Government, however, has undertaken an aggressive dusting campaign against cotton pests, although insecticides are not abundant.

The cotton futures market in Egypt declined sharply in the middle of March from the high levels attained earlier in the year, as prospects improved for a greatly increased production of cotton in the United States in 1951-52 coincidental with forecasts of a larger production in Egypt during the coming season. In addition, it became more evident at this time that there was more Ashmouni cotton in the current crop than had been estimated earlier. The Government intervened on March 21, issuing a Ministerial Decree which established minimum prices on cotton in the Alexandria market. While this action was expected to help the market recover, prices at the end of March, following a temporary strengthening, remained near the minimum levels set by the Government with little activity in the futures market.

EGYPT: Minimum prices for cotton futures, established by the Government, March 21, 1951.

Type of cotton	Tallaris per kantar	Equivalent U.S. cents per pound
Long staple		
Karnak, Menoufi, Giza 7		
For delivery in:		
May 1951	169.00	97.96
July 1951	172.65	100.07
November 1951	129.50	75.07
January 1952	136.00	78.83
Medium staple		
Ashmouni, Zagora, Giza 30		
For delivery in:		
April 1951	115.10	66.72
June 1951	122.00	70.72
October 1951	105.50	61.15

When the first April deliveries came due early in that month, the Government announced it would purchase at minimum prices all cotton tendered by holders of contracts who did not want cotton. The purchase by the Government of 1,700 bales (500 pounds gross weight) on April 3 under this arrangement was less than expected. On April 9 the Government announced that it would purchase for delivery during April through July 1951 all old-crop cotton, offered for sale at the minimum prices fixed for each month by the Decree of March 21. Prices quoted for old-crop cotton did not show much gain by the end of April, however. A further step to prevent sizeable quantities of old-crop cotton coming into Government possession was the reduction of 75 percent in the export tax, from 8 Egyptian pounds per metric quintal to 2 Egyptian pounds, announced on May 28. The new rate is temporary and applies only to cotton sold and exported during the period May 28 to August 31, 1951. Greater interest has been shown on the Alexandria market in the new-crop cotton to be delivered in the fall, with prices quoted near the fixed minimum level but considerably below the prices for cotton from the current crop.

COTTON-PRICE QUOTATIONS
ON WORLD MARKETS

The following table shows certain cotton-price quotations on world markets converted at current rates of exchange.

COTTON: Spot prices in certain foreign markets, U.S. gulf-port average, and taxes incident to exports

Market location, kind, and quality	Date 1951	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound: Spot quotation	Export and intermediate taxes
Alexandria	"	Kantar				
Ashmouni, Good	6-14	99.05 lbs.	Tallari	118.05	68.43	2.96
Ashmouni, FGF	"	"	"	92.05	53.36	2.96
Karnak, Good	"	"	"	165.70	96.05	2.96
Karnak, FGF	"	"	"	146.20	84.75	2.96
Bombay		Candy				
Jarila, Fine	"	784 lbs.	Rupee	1/ 770.00	20.50	21.30
Broach Vijay, Fine	"	"	"	1/ 840.00	22.36	21.30
Karachi		Maund				
4F Punjab, SG, Fine	6-13	82.28 lbs.	"	125.50	46.01	23.09
289F Sind, SG, Fine	"	"	"	131.00	48.03	23.09
289F Punjab, SG, Fine	"	"	"	142.00	52.06	23.09
Buenos Aires		Metric ton				
Type B	6-14	2204.6 lbs.	Peso	2/8000.00	72.58	6.77
Lima		Sp. quintal				
Tanguis, Type 3-1/2	6-12	101.4 lbs.	Sol	660.00	43.53	21.01
Tanguis, Type 5	"	"	"	640.00	42.21	19.66
Pima, Type 1	"	"	"	830.00	54.75	37.77
Recife		Arroba				
Mata, Type 4	6-14	33.07 lbs.	Cruzeiro	2/ 330.00	54.29	2.4% ad
Sertao, Type 5	"	"	"	(not quoted)		valorem
Sertao, Type 4	"	"	"	2/ 340.00	55.94	" "
Sao Paulo						
Sao Paulo, Type 5	"	"	"	312.00	51.33	3.0% ad
Torreon		Sp. quintal				valorem
Middling, 15/16"	"	101.4 lbs.	Peso	300.00	34.20	11.56
Houston-Galveston-New Orleans av. Mid. 15/16"	"	Pound	Cent	XXXXX	44.86	-----

Quotations of foreign markets and taxes reported by cable from U.S. Foreign Service posts abroad. U.S. quotations from designated spot markets.

1/ Ceiling price.

2/ Nominal.

FATS AND OILS

AUSTRALIA'S OILSEED PRODUCTION INCREASES SUBSTANTIALLY

Production of the major oilseeds in Australia in 1950-51 increased about 13 percent compared with 1949-50, according to T.C.M. Robinson, Agricultural Attache, American Consulate General, Sydney. The expansion was due almost entirely to a 30 percent increase in flaxseed, although cottonseed production, which is relatively unimportant, more than doubled. For the first time, flaxseed production was greater than peanut production, accounting for 45 percent of the total tonnage of the 4 major oilseeds against 41 percent for peanuts. Sunflower seed accounted for 10 percent and cottonseed for 4 percent.

Almost 350,000 bushels of flaxseed were harvested from 57,540 acres in 1950-51. Whereas production increased by about one-third from the previous season, acreage practically doubled. The most spectacular gain occurred in Queensland, where the acreage more than doubled and yields were approximately normal, resulting in a record production-- twice as large as in 1949-50.

Australia's crushing capacity is far from being fully utilized, although it would not be adequate were sufficient flaxseed grown to fulfill the need for drying oils and linseed oil meal. The largest crushers in Australia opened a new mill at Northgate in Queensland during the 1949-50 crushing year, using equipment moved from their New South Wales plant. Unofficial estimates place linseed oil, and cake and meal production in 1949-50 at 9,900 and 16,800 tons, respectively, representing a small increase from the previous season. Exports of flaxseed, linseed oil and linseed meal have been negligible in recent years.

Imports of flaxseed during the fiscal year 1949-50, amounting to 777,262 bushels, were about 6 percent larger than during the previous year. Virtually all of this quantity came from India. Linseed oil imports of 6,796 tons were about 27 percent smaller than in 1948-49. India supplied roughly three-fourths and Uruguay about one-fourth. Compared with 1945-46 and earlier years, imports of linseed oil have replaced a major portion of flaxseed imports.

Growers this year were assured a minimum price of £A 80 per long ton ($4.48 per bushel) for flaxseed containing a minimum of 40 percent oil. This price, which was announced well in advance of harvest, was believed to be about in line with world prices. Growers who have contracts with one of the two purchasers in Australia probably will average about £A 87-10-0 ($4.90). These prices compare with £A 70 ($3.92) received for the 1949-50 crop.

Australian peanut production during 1950-51 is estimated at 8,800 tons, about 100 tons less than the previous year's output but considerably less than the 1942-47 average of almost 14,000 tons. Although Queensland accounts for almost 97 percent of Australia's peanuts, production there is static or falling off while production in New South Wales, where

virtually the entire crop is used for edible purposes, is increasing rapidly.

The volume of peanut oil produced in Australia is dependent upon the availability of peanuts and not upon the demand for peanut oil and peanut oil meal. There is a large unfilled demand for vegetable proteins for livestock feed and imports of peanut oil more than quadrupled during 1949-50. However, with both margarine and meat prices controlled, oil and meal prices are not sufficiently attractive to stimulate additional production. Oil production during the calendar year 1950 amounted to only about 500 tons, less than half the volume officially reported for the fiscal year 1947-48 (latest official data available.)

No peanuts were exported during 1949-50 and peanut oil shipments amounted to only 29 tons. Imports of nuts and oil amounted to 303 and 397 tons, respectively.

Price information for the 1948-49 and 1949-50 crops is not available from the Peanut Marketing Board. New South Wales growers, marketing directly without benefit of a Marketing Board, averaged one shilling 3 pence (14 cents) per pound for their 1949-50 crop and are now getting one shilling 5 pence and one shilling 6 pence (16 and 17 cents) a pound for their current crop.

The rapid increase in acreage and production of sunflower seed which occurred during the late war and early postwar years appears to have been checked by the greater profit from such competing enterprises as wool production and wheat growing. The acreage harvested in the major producing State of Queensland actually decreased about 8 percent from 1949-50 to 1950-51, and the crop seems destined, at least for the next few years, to remain a very minor one in Victoria and New South Wales. Total Australian production in 1950-51 is estimated at around 2,200 tons--about the same as the previous year. Sunflower seed oil production during the calendar year 1950 amounted to about 240 tons.

Exports of sunflower seed during 1949-50 amounted to only 39 tons; imports have been negligible since 1946-47. There were neither exports nor imports of sunflower oil in 1949-50.

Sunflower seed prices received by New South Wales growers this year are about £A 58 ($130) per long ton at country shipping points.

Cottonseed production more than doubled in 1950-51 aggregating 875 tons compared with 348 tons the previous year. This was the result of acreage increase. Cottonseed oil production during the calendar year 1950 amounted to only 34 tons. There was no Australian trade in either cottonseed or cottonseed oil during 1949-50.

Small quantities of several other vegetable oilseeds and oils are produced in Australia. These include olive oil, soybeans and oil, and tung nuts and oil. Large quantities of copra are imported into Australia, principally from the Territories of New Guinea and Papua. (See Foreign Crops and Markets, March 26, 1951, page 349.) Imports of castor and rapeseed oils in 1949-50 were reported at 477 and 536 tons, respectively.

CUBAN LARD AND TALLOW
SITUATION, FIRST QUARTER 1951

Cuban importers were disturbed about the unusually large stocks of lard purchased from the United States during January and February of 1951 when prices were high, according to J.R. Johnstone, American Embassy, Havana. Following the price decline of lard in March, some importers and retailers decided to move stocks at sacrificial prices, while others made as little downward revision in prices as possible, hoping for a reversal in the price trend.

Very little of the lard consumed in Cuba during the past year was of domestic origin. High hog prices during the first quarter of 1951 continued to prevent local renderers from competing favorably with lard imported from the United States.

Imports of lard and rendered pork fat were heavy throughout the first quarter of 1951, amounting to about 20,000 tons, compared with about 12,500 tons during the previous 3-month period, and 22,500 tons during the record third quarter of 1950. Of the first quarter 1951 arrivals, 95 percent was in tank car lots, the remainder mostly in 37-pound tins.

Cuban wholesale lard prices are tied closely to Chicago quotations, although there is less day-to-day fluctuation. In late December lard wholesaled locally at about 24.7 - 25.6 cents per pound. By mid-February and early March, the price had risen to approximately 27.6 - 28.1 cents. After March 15, when the Chicago market declined, local wholesale prices dropped to about 25.6 - 26.6 cents per pound.

Consumption of lard and unrendered pork fat during the period under review averaged about 5,500 short tons monthly, or about the same as during the fourth quarter 1950. The high rate of consumption during both quarters was due partly to the comparatively cool weather. Cuban consumption of fats is normally large during the winter months. Aside from this, however, there is a general upward trend in lard consumption, accompanying the high degree of prosperity which has prevailed in recent years.

Cuban stocks of lard and rendered pork fats, as of April 1, 1951, approximated 10,000 tons, or nearly 2 months' supply. Assuming a Cuban rate of consumption approximating 5,500 tons per month, minimum import requirements would total 6,500 tons for the second quarter. To this must be added an additional 5,000 tons to guarantee adequate stocks. Consequently, over-all lard imports during the second quarter should approximate 11,500 tons.

Inedible tallow and grease production during the first quarter of 1951 approximated 1,600 tons, according to trade reports, compared with an estimated 1,750 tons during the previous quarter.

Local soap factories are the only important users of inedible tallow and grease. On the basis of production plus imports, consumption during the first quarter 1951 approximated 5,250 tons, or about the same as during the fourth quarter 1950.

Figures on inedible tallow imports during the first quarter 1951 are not yet available, but Embassy estimates place arrivals during the period at approximately 3,650 tons, virtually all from the United States. During the fourth quarter 1950, tallow imports totaled about 3,000 tons.

Domestic inedible tallow, as of mid-April 1951, was selling at around 18.7 cents per pound placed in soap factories' warehouses. This represented an increase of 3.9 cents per pound from the level prevailing in December 1950. Imported tallow, on the other hand, cost about 16.7 cents per pound as compared with 19.2 cents in December.

Local soap factories anticipated minimum requirements of 3,500 tons of inedible tallow and grease during the second quarter 1951, although imports might actually reach 4,000 tons if domestic production falls appreciably below that of the first quarter. Any forced or voluntary limitation on domestic soap production during the quarter, of course, could result in lower imports than forecast above.

VENEZUELA'S NEW MARGARINE PLANT EXPANDS PRODUCTION

The capacity of Venezuela's new margarine plant, "Mavesa" (Margarine Venezuelan South America), to pack substantial quantities of vegetable shortening when tinplate becomes available foreshadows further restrictions on hog-lard imports into that country. So reports James H. Kempton, Agricultural Attache, American Embassy, Caracas, who views this new industry as a threat to Venezuela's continuance as an important South American outlet for United States lard. (In 1950 lard exports from the United States to Venezuela totaled 4,899 short tons, just a little short of the 12-month import quota of about 4,950 tons announced officially by the Venezuelan Government on June 23, 1950. See Foreign Crops and Markets of March 26, 1951.) Not only is Mavesa equipped to produce margarine and vegetable shortening, it is equipped also to produce salad oils--that is, when sufficient tinplate becomes available. For the present, therefore, this machinery will remain idle.

Production of margarine in the Mavesa plant, situated on the outskirts of Caracas, has expanded so that, on a 2-shift basis, the plant is now producing 17 to 18 short tons per day. In one year, on the basis of operating 7 days per week, this would mean an output of about 6,450 tons. Such a quantity of margarine production certainly would affect the Venezuelan domestic butter market. The quantity of butter available in Venezuela in 1950, from both domestic production and imports, was 5,722 tons. Of this, only one-fourth was domestic production.

The effects on the domestic butter market, however, may be of short duration because Mavesa may stimulate only a greater consumption of edible fats in the form of margarine without making an addition to the total supply of vegetable fats. However, the plant processes its margarine from imported primary materials. Currently, the pack is from roughly equal parts of cottonseed and coconut oils which come from the United States. Two other oils are used also, but in very small quantity. Cottonseed and coconut oils are brought in duty free to help this new Venezuelan industry develop. An expansion in the Venezuelan imports of cottonseed and coconut oils, to the extent that such imports come from the United States, may result in a gradual displacement of American hog-lard imports.

The plant, it has been stated, has sufficient coconut and cottonseed oils on hand to permit operating on a 24-hour basis with 3 shifts. But inability of the management to procure the necessary tinplate prevents expansion to this level for the time being. Of the total daily output of 17 to 18 tons of margarine, roughly 85 percent is packed in various sizes of tin containers, the balance in one-pound, butter-type cartons.

The restoration by the National Supply Commission of the duty of 3.00 bolivares per kilogram (U.S. 0.41 cents per pound) on butter imported into Venezuela, announced officially on May 25 and effective the following day, had been eagerly anticipated by both the margarine and dairy interests. It is not entirely clear why the dairy interests should want this because, with the duty restored, the requirement that importers buy 2.5 units of domestic butter for each unit imported was dropped. This requirement had been invoked by the National Supply Commission effective September 1, 1950.

Although the restoration of the duty increases the price of domestic butter, it also increases the disparity between the butter price and the margarine price. Accordingly, this increased spread--which now is upwards of 45 cents per pound--will tend to shift some of the consumer demand from butter to margarine.

A new schedule of authorized wholesale and retail prices for margarine and butter was published by the National Supply Commission on May 26. For the vegetable fat "Mavesa"--which may not be designated as margarine or vegetable butter, according to a Ministry of Health ruling--a retail price equivalent to nearly 81 cents per pound may be charged. For domestically-produced butter the retailer is authorized to charge about $1.28 per pound. An importer of butter may charge the retailer his cost plus 8 percent and the retailer, in turn, may have a mark-up of 10 percent from his purchase price. The percentage mark-ups on imported butter have not been changed from those granted in the previous price-fixing resolution of September 13, 1949.

(Note: See "Late News" item, page 696 for Indonesian and Philippine copra.)

FRENCH WEST AFRICAN PEANUT
CROP BELOW AVERAGE

French West Africa's 1950-51 peanut crop is now placed at about 612,400 short tons of unshelled nuts or some 110,000 tons less than the 1949-50 harvest and considerably below average, reports W. W. Birge, American Consulate General, Dakar. The loss occurred almost entirely in Senegal, the principal producing territory, and was due principally to abnormally heavy rains during August and September of last year. Production in other areas--Sudan, Upper Volta, Niger, and Guinea--was approximately the same as that of the preceding year.

In addition to the damage caused by heavy rains, the short peanut crop also may be explained by 2 other factors: (1) the annual movement of farmers from the Sudan to the producing areas of Senegal was lighter than the preceding year and (2) some of the seed distributed for planting was eaten instead.

Not only was this harvest very small but the quality was below standard in Senegal. Whereas the oil content of unshelled peanuts as a rule averages 32 - 33 percent here, this percentage dropped to about 31 percent this season.

Prior to the 1949-50 harvest, output of peanut oil was controlled in that a certain proportion of the peanuts was distributed to each oil-producing factory and a certain proportion to the oil factories in France. The supply of peanuts to oil factories in 1950 was uncontrolled, and plants obtained whatever supplies they could at the fixed prices. The 13 peanut oil factories processed 272,930 tons of unshelled peanuts and turned out 63,930 tons of crude oil and 20,900 tons of refined oil. In addition, about 3,300 tons of crude oil were produced by primitive hand presses in native villages, bringing the total peanut oil production to 88,000 tons.

In 1949 the volume of refined peanut oil produced and exported exceeded the crude. It was found that the acid content of oil increases during shipment, but in the case of crude oil this increased acidity is eliminated in the refining process in the country of destination. It has been decided, therefore, that no more refined oil will be exported except in special cases.

French West Africa supplies its entire vegetable oil needs as well as about 40 percent of the vegetable fats and oils consumed in Metropolitan France. There are very few plantations in the generally accepted sense. With the exception of the Kafrine experimental Government plantation for peanuts and the Compagnie Generale des Oleagineux Tropicaux peanut project in Lower Senegal (still in the initial stage) peanut crops are grown on small native farms. The tonnage of peanuts produced on hundreds of thousands of such farms cannot be accurately estimated because the quantity the farmer may retain for his personal needs depends on the availability of other foods. Consumption of peanuts as food, seed, or oil was estimated at about 255,000 tons in 1949.

French West Africa exported 220,824 tons of shelled peanuts, 1,341 tons of unshelled nuts, 63,493 tons of crude peanut oil and 15,261 tons of refined oil in 1950, with France and the French Union taking by far the bulk of the shipments. There is a continuing trend toward increasing the proportion of shipments of oleaginous products in the form of oil. Exports of unshelled nuts fell to an insignificant volume in 1950. It is expected, however, that in 1951 there will be a substantial increase in unshelled tonnage in reversal of the trend toward shelling prior to export. The reason reported for this is that the use of the shells for fuel more than compensates for the increased freight charges involved.

Early in January 1951, the price of peanuts, f.o.b. Senegal and c.i.f. France began a steep rise which since then has had profound repercussions on the local market and in France. The immediate causes for this rise which brought the price of unshelled peanuts f.o.b. Dakar from about 20 CFA francs per kilo (5.2 cents per pound) to 35 CFA francs (9.1 cents) by January 17, were: (1) the small harvest, (2) freeing of peanut prices effective as of the marketing of the 1950-51 harvest, and (3) the rise in world prices following the Korean war.

Meanwhile there was a ceiling in France on the ex-factory price of peanut oil (179 Metropolitan francs--23.2 cents per pound for crude). When the c.i.f. price in France of shelled peanuts reached 110 - 130 Metropolitan francs (14.2 - 16.8 cents), it was evident that the peanut oil price ceiling would have to be raised. A decree of February 4 increased oil prices to 213 francs ex-factory (27.6 cents) for crude and 230 francs (29.8 cents) for refined. Another decree of the same date fixed the c.i.f. price of shelled peanuts at 100 francs (13.0 cents) for the entire 1950-51 crop. Continued dissatisfaction with the ceiling prices of peanut oil on the basis of the ceiling for peanuts together with the difficulty of obtaining peanuts on any market resulted in a change in the pricing method as of May 11, 1951. Peanut oil has now been taken off the list of oils for which ceilings are prescribed and included in that for which prices are determined in accordance with: (1) cost of raw materials; (2) processing and handling margins; and (3) sales commission.

There is no ceiling price on peanuts or peanut oil in Dakar and refined peanut oil was retailing as of mid-May for 120 CFA francs (31.1 cents). The latest reported f.o.b. Dakar price for shelled peanuts was 33 - 35 CFA francs (8.5 - 9.1 cents per pound).

The over-all outlook for peanut production as well as for other vegetable oilseeds and oils in French West Africa is reassuring. By encouraging diversified farming and increased culture of food crops in Senegal, native peanut growers, with food supplies assured, will market a far larger proportion of their peanut crop. And, by systematic encouragement of the greater use of fertilizers, the Government hopes to increase per-acre yields. Substantial results already have been obtained in some regions.

URUGUAY ANNOUNCES EXCHANGE RATE AND PRICES FOR SUNFLOWER OIL

The official Uruguayan exchange rate for export of sunflower oil has been announced for the current crop, according to Dale E. Farringer, Agricultural Attache, American Embassy, Montevideo. An executive decree, dated May 2, 1951, fixed the new rate at 1.78 pesos to one dollar which is the same rate prevailing for linseed oil. Formerly the sunflower oil rate was 2.35 pesos.

Crushers are still offering 20 pesos per 100 kilograms ($84.00 per short ton-converted at the rate of 2.16 pesos equal U. S. $1.00) for sunflower seed delivered to the mill (Montevideo). Although growers have recently asked the Uruguayan price control authority to fix 25 pesos ($105.00) as the minimum, which approximates last year's average price, no action has been taken by price officials so far. Farmers with storage facilities are reported withholding stocks from the market in anticipation of a higher price.

The Uruguayan price control authority (Consejo Nacional de Subsistencias), because of the lower price (20 pesos) offered for seed, fixed the retail price level for sunflower oil at 1.12 pesos per liter (26.2 cents per pound), which is 8 centesimos (1.9 cents per pound) lower than the previous official price. Sunflower oil is the only food commodity for which the official price has declined.

Reports conflict with respect to the size of the current sunflower crop. Preliminary estimates of the Ministry of Livestock and Agriculture placed the production at 57,770 tons (see Foreign Crops and Markets, April 2, 1951). Crushers, on the other hand, predicted that total output would range between 88,000 and 110,000 tons. Embassy officials, however, estimate the crop at around 82,500 tons.

GRAINS, GRAIN PRODUCTS AND FEEDS

WORLD BREADGRAIN PROSPECTS

World production prospects for the 1951 wheat and rye crop point to a crop about the same as or slightly below the high level of 1950, on the basis of preliminary information available to the Office of Foreign Agricultural Relations, in early June. No significant change from the 1950 harvest is now indicated for North America, Europe, or Asia, but some net decline seems probable in Africa. An over-all reduction in Western Europe seems offset by better prospects in eastern Europe, especially in the Balkans where crops were reduced by drought last year. It is too early to have definite indications of the outlook for the Southern Hemisphere where wheat seeding is now under way, but no significant net increase from last year's comparatively low acreage is expected.

The outlook for a maintained wheat crop in North America is based on favorable prospects for the principal producing countries of the area. June prospects in the United States were for a crop of 1,054 million bushels, compared with 1,027 million a year ago. This would be the eighth successive billion bushel harvest. Of that total, winter wheat comprised 705 million bushels, compared with 751 million bushels in 1950. A winter wheat crop of that size would be the smallest since 1943, contrasting with the 1947 and 1948 outturns of more than a billion bushels. The decline from last year's winter wheat harvest is offset, however, by near-record spring wheat prospects. The smaller winter wheat crop resulted from unusually heavy abandonment, bringing the acreage for harvest about 2.6 million acres below the 1950 acreage. Winter wheat yields are forecast at 17.1 bushels per acre, the same as in 1950.

Prospects for Canada are less definite than those for the United States, since approximately 95 percent of Canada's wheat acreage is spring-sown, and seeding was only completed in early June. The official estimate of area sown to field crops will not be released until July 26. As of April 30, however, farmers reported intentions to seed less wheat by about a million acres. That would put acreage at about 26 million. No significant change was planned in rye acreage, which was placed at 1.2 million acres. At the end of May germination and growth were reported generally good in the important producing Prairie Provinces. The crop outlook was reported good, though rains would be welcome in many areas, especially in Manitoba and Saskatchewan.

Conditions in Europe are so varied as to make a dependable forecast of the probable harvest results difficult at this time, especially as information is still lacking for some areas. On the basis of available reports, however, the favorable outlook for some areas, especially the Balkans, the Iberian Peninsula, and Western Germany appears to offset the less favorable conditions in much of western Europe. The breadgrain outlook for western Europe appears favorable, though not up to the good 1950 crop. Excessive rains curtailed seeding of winter grain for the current season in some of the principal producing countries, and the arrears could not be made up by increased spring acreage, since excessive moisture continued in many areas, making conditions unfavorable for spring seeding. Crops generally wintered well with nominal winterkill reported. Growth is still backward in many areas, but a good harvest is still expected if growing conditions are favorable. Good moisture reserves favor the development of the crop.

As of May 1 total acreage in France was about 2 percent below acreage on that date of 1950. Condition was not up to that of a year ago, and warm, sunny weather was needed. Good yields were still considered possible, however. The crop in Belgium is also expected to be smaller than that of a year ago, because of less favorable weather conditions and some reduction in acreage. Reduced breadgrain acreage is attributed to relatively better returns for coarse grains and flax, as well as to unfavorable weather. Abnormally wet weather throughout the fall and winter continued through April in the Netherlands. As a result, acreage is somewhat below the 1950 area, and yield prospects are less favorable than a year ago.

Despite unusually wet weather during winter and spring, prospects in Italy are considered good, though not up to the high yield level of 1950. The acreage seeded to wheat was larger than the 1950 area, but the harvested acreage may be little larger than last year's. A preliminary official estimate places the crop at 256 million bushels, compared with the official estimate of 278 million in 1950. Some increase is expected in the crop in Greece largely as a result of increased acreage. Crop conditions in Spain are reported excellent, except in some northern districts where cold, rainy weather has retarded growth of grain crops. In other areas moisture reserves are sufficient to assure supplies for the remainder of the season. A slight increase in wheat acreage is reported, and production prospects exceed those of a year ago. The outlook for the grain crop in Portugal was promising, at latest report, and a larger crop than last year's good harvest was expected. The increase over the 1950 production is put at 10 - 15 percent.

Above-normal precipitation in Western Germany during the fall and spring, not only delayed work but retarded the development of grain crops. Condition of winter grains at the end of March, however, was approximately the same as at that time a year ago, and another excellent harvest is forecast. Unusually favorable growing conditions in the past 2 years resulted in considerably above-average yields. Little change is indicated in Austria's breadgrain area, an increase in wheat offsetting a decline in rye. Condition of the grain was favorable at latest report, and the outturn is expected to be up to last year's good harvest. Breadgrain acreage in Switzerland is not significantly changed from the 1950 area, and the condition of the crop is reportedly average, despite a late, wet spring.

A late spring in Scandinavia is expected to have some adverse effect on both acreage and yields of breadgrains. Heavy snowfall last winter and a very cold spring have delayed spring seeding and generally retarded the growth of the breadgrain crop in Sweden. Even with normal or above normal growing conditions for the remainder of the season, the harvest is expected to be somewhat below the 1950 level. Conditions in Finland are similar to those in Sweden and a reduction from the good 1950 cutturn is probable. The late season in Norway is believed to have caused a decrease in the wheat acreage with a corresponding increase in coarse grain acreage. A late spring held up work in Denmark and seeding of spring grains was 3 - 4 weeks late. The late sowing is expected to have some detrimental effect on yields on the somewhat smaller acreage.

Excessive moisture, which held up fall seeding in the United Kingdom, continued through the spring, hampering seeding of spring grain also. The goal of 2.55 million acres for all wheat was not expected to be reached, and total acreage may be somewhat below the 2.48 million acres harvested in 1950. Development of winter wheat was still backward in May. Conditions in Ireland were similar to those in the United Kingdom, and total wheat acreage is expected to be smaller than in 1950. Crops were generally backward on June 1, but good yields were still considered possible if summer weather is favorable.

Little definite information is available concerning grain crops in eastern Europe, and the Soviet Union. Conditions in the Balkans appear generally favorable following a comparatively mild winter, and give promise of a crop substantially larger than last year's poor one. Good rainfall over much of the area helped alleviate the dry soil conditions after the severe drought in 1950. Fall ploughing and seeding in Bulgaria were handicapped by dry soil conditions. Despite the unfavorable conditions, the fall sowing plan was reported completed, and the present outlook is for good crops. Crop prospects in Hungary were described as very good in late May. The outlook was also reported good in Rumania. Continued drought in Yugoslavia delayed fall plowing and seeding until abundant rainfall in October gave relief. Good progress was then made and a mild winter permitted operations to continue well into the winter. The condition of the crop is reported well above average.

The fall sowing plan was reported fulfilled in the Soviet Union. Seeding was carried out earlier than usual under favorable conditions. Fall plowing was also earlier, with a substantial increase in land prepared for spring crops. Early spring favored field work and seeding operations, which have been proceeding at a more rapid pace than last year. It was officially reported that the acreage seeded to all spring crops by May 10 on collective and state farms of the RSFSR (the Russian republic which is the largest of the 16 constituent republics of the Soviet Union) was 15 percent above that seeded on the same date a year ago. The moisture supply in the important semi-arid eastern and southeastern regions appears to be adequate. While reports on the condition of winter and spring grain in May were generally favorable, fairly widespread cold weather during that month and early in June retarded somewhat the development of crops. The effects of the cold spell cannot be fully appraised as yet.

Little change is indicated in the wheat acreage for Asia, on the basis of preliminary reports for the larger producing countries. Prospects appear better in the Far East than in much of the Near East. Good wheat crops were harvested in the Indian Union and Pakistan in April/May from an acreage about the same as the 1950 area. Unofficial forecasts place the 1951 outturn in China at about the 1950 level. Ordinarily China's crop represents approximately half the total production for Asia. A substantial increase over the 1950 crop is reported for Manchuria. No significant change is expected in the production in Japan.

Favorable prospects are reported for Turkey, where acreage is above the 1950 figure by perhaps 10 percent. Seeding was a little late because of delayed rains, but germination was reported good. No winterkill was reported, and the current outlook is for at least average crops. Conditions are less favorable over much of the Middle and Near East where drought has reduced prospects, especially in Syria, Lebanon, Israel, Iraq and Iran.

Conditions in Africa show considerable variation. In the important producing French North Africa area best prospects are reported for French Morocco. According to a preliminary estimate wheat production there will

(Continued on Page 724)

BURMA'S RICE EXPORTS
LARGER THAN LAST YEAR

Exports of milled rice from Burma during the first quarter of 1951 totaled 597 million pounds, compared with 337 million during the corresponding months of 1950, and with 1,003 million pounds during the same period of 1949. It should be noted that exports during the first quarter of 1950 were abnormally low, due to transportation difficulties in interior Burma. Principal exports during the quarter of this year were to Ceylon, India, Japan, and Indonesia.

BURMA: Rice (milled) exports by country of destination, March 1951, with comparisons

Country of destination	Average 1936-40	1949	1950 1/	1951 1/	
				First quarter	March
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
India	3,532	837	426	191	53
Ceylon	807	594	942	208	75
Malaya	508	326	59	7	2
Indonesia	156	297	436	55	24
Hong Kong	2/	38	18	0	0
China	117	89	68	0	0
Japan	3/ 233	122	379	68	18
Pakistan	4/	125	2/	0	0
United Kingdom	128	63	17	1	1
Other Europe	497	2/	52	7	6
Mauritius	61	2/	49	5	0
French and Portuguese India	2/	2/	46	5	0
Near East	2/	2/	98	30	5
Other countries	465	141	49	20	9
Total	6,504	2,632	2,639	597	193

1/ Preliminary. 2/ Not separately reported. 3/ Japan, Korea, and Taiwan. 4/ Included in imports into India.

Compiled from official sources.

Burma's sales and shipments of milled rice anticipated in 1951 reportedly are larger than 1950 exports of 2,600 million pounds. Although official statistics are not yet available with respect to the 1950-51 harvest, indications are that production approximated or perhaps exceeded the good crops of the preceding 2 years.

LIVESTOCK AND ANIMAL PRODUCTS

DAIRYING IN GREECE

Summary. Milk production in Greece in 1950 increased over that of 1949, although it was still about 12 percent below prewar output. The higher production of the year just closed was due mainly to larger numbers of all types of milk-producing animals. The improvement in milk production was reflected in a higher output of butter, which was 19 percent above a year ago, and of cheese, which was up 14 percent. However, these increases were not sufficient to meet domestic requirements, and imports of both commodities, together with imports of both canned and powdered milk, were again necessary in 1950.

Milk animal numbers

Preliminary estimates of the Greek Ministry of Agriculture of animals kept mainly for milk production in 1950 indicate that increases occurred in all categories, compared with 1949, although numbers were still substantially below prewar. Any increase of herds and flocks to prewar size will depend on continued civil security, good grazing and forage conditions, availability of feed concentrates and a decrease in slaughter of female animals for fresh meat.

Milk Animals on December 31
(Average 1934-38, annual 1948, 1949 and 1950)

Kept for milk	1934-38	1948	1949	1950 1/
	Thousands	Thousands	Thousands	Thousands
Sheep	5,581	4,400	3,594	4,470
Goats	3,344	2,200	1,960	2,385
Cows	208	134	138	142
Water buffaloes	28	25	26	27

1/ Preliminary.

Milk production and utilization

In 1950, there was a sizable gain over 1949 in all types of milk produced in Greece, although total output was only about 88 percent of prewar. Of the total production of nearly 1.3 billion pounds of milk in 1950, about three-quarters were used for fluid milk consumption and cheese making.

During the prewar years, about 40 percent of total milk production was used for fluid consumption but, of that, only 30 percent was cows' milk. During 1949 and 1950, the percentage consumed as fluid had increased only slightly over prewar but cows' milk accounted for 45 percent of it.

Milk Production and Utilization
(Average 1933-37, annual 1949 and 1950).

Kind of Milk	Total Production	Fluid Milk	Utilization				
			For butter	For Cheese		Total cheese	For Feed
				Soft cheese	Hard cheese		
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1933-37 1/							
Cow	251	181	54	n.a.	n.a.	16	n.a.
Sheep	674	198	84	n.a.	n.a.	392	n.a.
Goat	481	189	101	n.a.	n.a.	191	n.a.
Buffalo	55	24	26	n.a.	n.a.	5	n.a.
Total	1,461	592	265	n.a.	n.a.	604	n.a.
1949							
Cow	322	214	27	15	3	18	63
Sheep	430	124	11	150	72	222	73
Goats	326	110	28	86	53	139	49
Buffalo	49	22	12	4	-	4	11
Total	1,127	470	78	255	128	383	196
1950							
Cow	354	236	35	13	4	17	66
Sheep	500	145	14	170	85	255	86
Goat	379	126	35	100	61	161	57
Buffalo	50	23	13	3	-	3	11
Total	1,283	530	97	286	150	436	220

1/ Excludes milk used for feed.

Production of both butter and cheese increased in 1950, compared with a year earlier, but output of each commodity was still below the prewar level. Soft cheese, which makes up the greater portion of total cheese production, is produced in the villages and towns in the plains areas. Among the soft cheese types, "Feta" cheese, made from sheep and goat milk, is by far the most popular. In 1950, production of this type of cheese amounted to more than 56 million pounds, or 75 percent of all soft cheeses, and 60 percent of total cheese. Widely consumed and readily available, Feta cheese can be prepared under the most primitive conditions and appears in a wide range of types and tastes, depending on the kind of animal feed, as well as preparation and fermentation factors. Hard cheese is produced mostly in the mountainous areas during the summer grazing season. "Kafalotyri" is the most popular of the hard cheeses, bitter to taste, and preferred in powdered or grated form with macaroni. Production of Kafalotyri in 1950 was 15 million pounds, or 80 percent of all hard cheese types.

Butter and Cheese Production
by kind of milk used.
(Average 1933-37, annual 1949 and 1950).

Kind of milk	Butter	Cheese		
		Soft cheese	Hard cheese	Total cheese
1933-37	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Cow	2,714	n.a.	n.a.	3,437
Sheep	4,178	n.a.	n.a.	84,017
Goat	5,051	n.a.	n.a.	40,027
Buffalo	1,318	n.a.	n.a.	1,107
Total	13,261	n.a.	n.a.	128,588
1949				
Cow	1,199	2,498	340	2,838
Sheep	4,597	45,428	10,866	56,294
Goat	3,444	17,912	5,291	23,203
Buffalo	1,135	1,025	--	1,025
Total	10,375	66,863	16,497	83,360
1950				
Cow	1,543	2,147	335	2,482
Sheep	5,393	51,460	12,864	64,324
Goat	4,211	20,807	6,122	26,929
Buffalo	1,168	966	--	966
Total	12,315	75,380	19,321	94,701

Imports

In order to meet the requirements of the Greek populace, and to fill the need in the Greek diet for such protective foods as dairy products, indigenous production must be supplemented by imports. The following table compares 1950 imports of dairy products with 1949 and prewar.

Dairy Products:-Imports in 1950, with comparisons.

Year	Butter	Cheese	Condensed and Evaporated Milk	Powdered Milk
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
1938....	115	153	264	76
1949....	324	7,061	66,730	25,818
1950....	57	12,266	64,293	27,969

Dairy Products:-Imports in 1950, by country of origin

Country of Origin	Butter	Cheese	Condensed and Evaporated Milk	Powdered Milk
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Australia.....	--	500	12	49
Canada.....	--	- -	- -	1,063
Denmark.....	--	3,526	3,692	37
Italy.....	--	3,058	- -	- -
Netherlands.....	57	1,623	9,388	- -
Sweden.....	--	237	4,496	134
Switzerland.....	--	--	2	19
Turkey.....	--	576	- -	- -
United Kingdom...	--	- -	141	2,682
United States....	--	1,371	46,548	23,980
Other Countries..	--	1,375	14	5
Total.....	57	12,266	64,293	27,969

Outlook

Modern dairy techniques, organization and training are generally lacking in Greece, and unsanitary and primitive techniques have menaced the health of the population. There are few modern dairy plants in Greece. Most machinery is primitive. The only machine that is widely used is the cream separator, which is found not only in plants in Athens and other towns, but in cheese factories, and even in the small cottages of the goat herds and shepherds. The Greek Government, aided and encouraged by the Economic Cooperation Administration and several welfare agencies, has taken steps to modernize dairying methods and to expand the industry. Experimental herds and flocks are being imported from other countries to develop high-producing stock suited to Greece's climatic, topographical and forage conditions. Additional veterinary stations are planned. These will be staffed by competent technicians who will be able to give valuable advice and assistance to Greek dairymen.

Prepared by Regina M. Murray in the Livestock and Wool Division, Office of Foreign Agricultural Relations, and based upon U.S. Foreign Service reports and other material.

CURRENT DEVELOPMENTS IN THE MEXICAN MEAT INDUSTRY

The seasonal meat shortage in Mexico City during April brought headline announcements in Mexican newspapers of an agreement with meat packing plants in northern Mexico to supply 20 percent of their meat to the Mexico City market in the form of chilled or frozen dressed carcasses as a prerequisite to obtaining export licenses.

The supply of beef for Mexico City has undoubtedly been affected by the prolonged drought in the Huasteca region north and east of Mexico City. This region normally supplies large quantities of cattle. Otherwise it is felt that the supply situation is as good as in most previous years for this season. In northern Mexico, packing plants are running short of cattle and are bidding up as high as 1.60 pesos per kilogram liveweight (8.4 U.S. cents per pound) for cutters and canners. Several of the plants are operating on contracts to supply cured meat to packers in the United States. A few carloads of this meat have been rejected by inspectors of the Bureau of Animal Industry, United States Department of Agriculture, due to the finding of small bone particles which constitute a danger as possible carriers of foot-and-mouth disease virus. In general, the packing plants are exercising every precaution in preparing the cured meats in order that they may meet the Bureau's requirements.

Mexican shipments of pickled or cured beef and veal to the United States for March amounted to 1,378,437 pounds, a sharp increase over 38,603 pounds moved in February. No meat was exported to the United States in January.

TOBACCO

COLOMBIA'S TOBACCO PRODUCTION STEADY; EXPORTS LOWER; IMPORTS AND MANUFACTURING HIGHER

Colombia's 1950 tobacco crop is now estimated at about equal the 1949 outturn, according to I.M. Eitreim, Agricultural Attache, and E. Latorre, Agricultural Investigator, American Embassy, Bogota. Imports of unmanufactured tobacco in 1950 was 5 percent above 1949. Exports of leaf tobacco in 1950 were 16 percent below the level of the previous year. The manufacture of cigarettes during 1950 was 6 percent above the 1949 output.

The country's 1950 tobacco crop is estimated at 44.1 million pounds compared with 44.2 million pounds in 1949 and 43.7 million pounds in 1948. Some tobacco is grown in all 15 Departments of Colombia, but the main centers of production are in the Departments of Santander and Bolivar. Santander was still the most important producing center in 1950, producing slightly over 50 percent of the country's total outturn. Leaf grown in this Department is primarily used for cigarettes, while most of that grown in Bolivar is exported. Dark, air-cured cigar filler types account for the bulk of the Bolivar leaf.

Exports of leaf during 1950 totaled 7.1 million pounds compared with 8.5 million pounds in 1949 and 6.7 million pounds in 1948. Germany, the most important 1950 export outlet, took 6.3 million pounds, or 89 percent. The remaining leaf was taken by the Netherlands, Belgium and French North Africa.

Imports of unmanufactured tobacco for 1950 were reported by trade sources at 520,790 pounds. This compares with 496,551 pounds in 1949 and 367,255 pounds in 1948. No official information as to source of unmanufactured tobacco during 1950 is available. However, in previous years the United States has supplied a large percentage of the total. In addition to unmanufactured tobacco Colombia imported 275,575 pounds of cigarettes and 2,645 pounds of smoking tobacco.

The manufacture of cigarettes during 1950 is officially estimated at about 520 million cigarettes compared with 494 million in 1949 and 470 million in 1948.

VENEZUELA'S LEAF PRODUCTION AND IMPORTS LOWER; CIGARETTE PRODUCTION AND IMPORTS HIGHER

Venezuela's 1950-51 tobacco production is estimated at 32 percent below 1949-50, according to J. H. Kempton, Agricultural Attache, American Embassy, Caracas. Imports of leaf and manufactured tobacco products during 1950 were slightly above 1949. Cigarette production during 1950 is estimated at 3 percent above 1949 and cigarette imports at 63 percent above 1949.

The country's 1950-51 tobacco harvest is estimated at 5.2 million pounds compared with 7.7 million pounds in 1949-50. Total acreage planted to tobacco in 1950-51 was about 7,660 acres compared with 7,000 in 1949-50. Yield per acre during 1950-51 is placed at 677 pounds compared with 1,100 pounds in 1949-50. Lower 1950-51 yields were attributed to generally unfavorable growing conditions during the latter part of the growing season. The 1950-51 leaf crop consisted of 3.0 million pounds of flue-cured type, 804,000 pounds of Burley, and 1.4 million pounds of dark-type leaf.

Domestic demand for manufactured tobacco products, principally cigarettes, exceed leaf production. Consequently, Venezuela must import considerable quantities of leaf and cigarettes which have come principally from the United States. It is reported that during 1950 a total of 290,597 pounds of leaf and 1,514,860 pounds of cigarettes were imported. During 1949 leaf imports totaled 293,116 pounds and cigarette imports 927,800 pounds.

Cigarette production during 1950 is estimated at 1,944 million pieces compared with 1,882 million pieces in 1949. Of total cigarette production, light type cigarettes constituted 1,256 million, or 65 percent during 1950.

URUGUAY'S TOBACCO PRODUCTION DECREASED; IMPORTS AND CONSUMPTION INCREASED

Uruguay's 1950-51 tobacco crop is estimated at 12 percent below the 1949-50 outturn, according to R.B. Carrier, American Embassy, Montevideo. Imports of leaf tobacco during 1950 were 39 percent above 1949. Consumption of tobacco products during 1950 was 4 percent above 1949.

The country's 1950-51 leaf harvest is estimated at about 661,200 pounds compared with 749,900 in 1949. Area planted to tobacco in 1950 totaled 645 acres compared with the 1949 total of 712 acres. Yield per acre for 1950 was 1,053 pounds compared with 1,054 pounds in 1949.

Imports of leaf tobacco during 1950 was 9.3 million pounds compared with 6.7 million pounds in 1949. Brazil, the most important source of leaf, supplied 5.5 million pounds, or 60 percent of the total. The United States, the second most important source, supplied 1.1 million pounds; the Dominican Republic ranked third, with 981,506 pounds; Paraguay, fourth with 817,005 pounds; and Cuba, fifth, with 547,550 pounds. Other countries supplying Uruguay with leaf during 1950 included Greece, Turkey and South Africa.

Consumption of tobacco products during 1950 totaled 8.9 million pounds compared with 8.5 million in 1949 and 7.6 million in 1948. No official data is available as to the total pounds of each product consumed; however, information indicates increases in cigarette and smoking tobacco consumption with a decrease in cigar consumption. Domestically manufactured cigarettes accounted for 97 percent of the total cigarette consumption.

GRAINS, GRAIN PRODUCTS AND FEEDS

WORLD BREADGRAIN PROSPECTS--(Continued from Page 715)

be slightly larger than last year's above-average harvest. Reduced acreage of hard wheat brings prospects for that crop about 12 percent below the 1950 outturn. That reduction, however, is more than offset by increased soft wheat area. The outlook for crops in Algeria deteriorated in April, with dry weather and hot winds mainly responsible. Some frost damage was also reported early in April. Exports of grain have been suspended, and it appears probable that substantial imports of soft wheat will be required in the current season. Any exports of hard wheat, such as were made in 1950-51, will be small this season. Dry conditions have also reduced prospects for Tunisia, and wheat production is reported sharply below the good 1950 harvest. Imports of both soft wheat and durum are expected to be necessary this season. Some shift from grain acreage to cotton is reported in Egypt, and the wheat acreage for 1951 consequently may be even less than the below-average acreage last year.

Seeding of breadgrain crops for harvest in late 1951 and early 1952 is now actively under way in the Southern Hemisphere. No significant net increase from last year's comparatively low level is expected in the principal producing countries. In Australia wheat acreage is expected to show some decline from the below-average 1950 area, mainly because relatively high returns from wool are said to be causing some growers to concentrate more on raising sheep, especially on large and medium farms. Generally weather conditions over the greater part of Australia's wheat belt have not been favorable for the preparation of the land for the 1951-52 wheat crop, and shortage of rains has held up seeding. Trade sources report moisture conditions satisfactory in only one major producing State, Western Australia. Dry conditions in other States have encouraged the shift to sheep farming in many districts, according to reports. Shortages of bags and of machinery and parts are additional factors expected to contribute to the reduction in wheat acreage. Unofficial statements of probable acreage place the reduction as much as 10 percent below the 11.9 million acres sown to wheat for grain last year. That area was the smallest since 1945-46 and compares with the average of 13.3 million harvested in 1935-39.

Weather and soil conditions in Argentina were considered fair at latest report. Some acreage increase now seems likely, which may offset the decline in Australia. Earlier reports had pointed to little change in Argentina, but recent announcements of higher prices to producers and a plan to share marketing profits with growers may have come in time to stimulate seeding somewhat. It remains to be seen to what extent the higher prices offset discouraging factors such as high labor costs, labor shortages and other deterrents. (The guaranteed price of 34 pesos per 100 kilograms, the equivalent of $1.85 per bushel, is $0.19 per bushel above the price paid last season.)

The crop in the Union of South Africa, another important Southern Hemisphere producer, is not expected to be up to the high level of last year.--By Judith E. Downey, based upon U. S. Foreign Service reports.

LATE NEWS

(Continued from Page 696)

United States cotton exports in April totaled 489,000 bales of 500 pounds gross (480,000 running bales) including 95,000 bales to Italy, 74,000 to Japan, 73,000 to France, 56,000 to Germany, 45,000 to Canada, 41,000 to the Netherlands and 34,000 to India. A more complete report will appear in Foreign Crops and Markets of June 25, 1951.

- - - - - - - -